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C O N F I D E N T I A L SECTION 01 OF 03 KUWAIT 001706

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BAGHDAD FOR M. RIES, C. RIES, AND T. SCHWARTZ

E.O. 12958: DECL: 12/05/2017
TAGS: [MOPS](#) [PREL](#) [ETRD](#) [EPET](#) [KU](#) [IZ](#)
SUBJECT: MOI CASTS DOUBT ON OPENING ADDITIONAL BORDER
CROSSING, DISCUSSES KUWAIT-IRAQ TRADE, FUEL

REF: A. BAGHDAD 3174
[1](#)B. KUWAIT 1674

Classified By: CDA Alan Misenheimer for reasons 1.4(b) and (d)

[1](#)1. (C) Summary: In a December 4 meeting with MNF-I DCG LTG William Rollo, MOI Undersecretary LTG Nasser al-Othman noted the security progress being made in Iraq and predicted significant progress in the next two years. In stark contrast from what Post has heard from Kuwait Customs and the Kuwaiti business community, Al-Othman said it was not security concerns but rather political decision-making in the GOK that was the primary obstacle to enhanced trade with Iraq. He emphasized that the GOK is fully supportive of fuel transport to Iraq for power generation and has no objections to fuel transport companies traveling back and forth through the military Khaybari crossing (K-crossing). While he indicated the decision rested with the Minister of Defense, Al-Othman expressed very strong doubts that the GOK will support opening an additional border crossing in the vicinity of Umm Qasr (See Ref. A) and instead suggested using the commercial Abdally-Safwan crossing more efficiently. We will take the border issue up with the MOD but, having seen no progress on the issue after two discussions with the MFA, and in light of the MOI's strong views, we see little likelihood of the GOK granting this request in the near term absent a new high-level USG push. End Summary.

[1](#)2. (U) CDA, Lieutenant General William Rollo, Deputy Commanding General of Multinational Force - Iraq; Embassy Baghdad Econcouns; British Defense Attach Geoffery Moynan, and econoff met with Ministry of Interior Undersecretary Nasser al-Othman on December 4 to discuss border issues and Kuwait-Iraq trade.

SECURITY SITUATION

[1](#)3. (C) In response to opening remarks from LTG Rollo concerning positive security trends in Iraq, Al-Othman commended the progress made by coalition forces and said that he had predicted two years ago that the situation would eventually improve. The primary reason for improvement in the security situation in Iraq, he said, was that Syria and Iran, which have fueled the insurgency in Iraq, do not have the necessary capacity for longterm activity against the coalition forces. He said Al-Qaeda, the other major force in Iraq, does not have the strength to maintain a sustained long-term attack against coalition forces either. More importantly, Iraqis are tired of the war and are ready for life to return to normal.

KUWAIT-IRAQ TRADE

[1](#)4. (C) In response to LTG Rollo's assertion that improved

security allows for better economic and trade opportunities, the U/S cautioned that Iraq is only at the "first stages" of security. Much more progress needs to be made before commercial activities can flourish. He dismissed security concerns as the most important factor in trade between Kuwait and Iraq. He contended instead that lack of Kuwait-Iraq trade is a result of decisions by the political leadership in Kuwait. The security situation is a factor in their decisions but not the key factor, he said. (Note: In meetings with Embassy Baghdad Econcouns and econoffs later that day, the Director General of Customs and the Deputy Director General of the Kuwait Chamber of Commerce and Industry both insisted that security concerns were the primary obstacle to increased trade between Iraq and Kuwait. End Note). Longstanding problems between Kuwaitis and Iraqis -- like sectarian conflicts, border issues and feuds between families -- continue to affect political decisions regarding Iraq, Al-Othman said. Historically Iraq and Kuwait had strong economic and social ties, but after the Iraqi invasion of Kuwait, Kuwaitis have grown very suspicious of Iraqi intentions.

15. (C) Despite these problems, he argued, Kuwaitis are involved in several commercial projects in the north. Kuwaiti Shia, he continued, are engaged in commercial activities related to religious sites in Najaf and Karbala. Kuwaiti businessmen are working on establishing transportation services, investment projects, hotels, and other tourism services to take advantage of religious tourism to the holy sites in Iraq. These ventures are awaiting the "green light" from the GOI.

FUEL TRANSPORT

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16. (C) CDA and LTG Rollo discussed the GOK-GOI agreement to supply and transport diesel for electricity generation in Baghdad. Although contracts were signed in September, no fuel has yet been transported to Iraq, they said. The transportation company Rehal needs approval from the MOI to permit southbound transit through the military K-crossing in addition to the permission for northbound transit, which has already been given. LTG Rollo emphasized the importance of this fuel in strengthening the security situation in Iraq. There is more at stake here than commercial interests, he said. This fuel would mean three additional hours of electricity for Baghdad per day, which is integral to our security interest, LTG Rollo emphasized. U/S Al-Othman clarified that GOK does not have any objections to the movement of fuel from Kuwait to Iraq. He promised that MOI will issue all requisite passes and permits for transport in and out of Kuwait. Al-Othman assured the delegation that MOI had granted permission to Rehal Transportation Company on December 2 following a phonecall with CDA. CDA reminded Al-Othman that the MOI still needed to send a letter to ARCENT to authorize Rehal to use the K-crossing southbound. Al-Othman promised to send the letter immediately and reiterated GOK's full support for coalition forces in Iraq.

OPENING A BORDER CROSSING NEAR CAMP BUCCA

17. (C) The delegation reiterated MNF-I's request (Ref A) that the GOK re-open either the old UN gate or the Iraqi Naval Base gate in the vicinity of Umm Qasr, or another crossing east of Abdally in northeastern Kuwait, to facilitate easier and more secure access to Camp Bucca. Al-Othman immediately interjected that this is not an MOI decision and is instead part of the Defense Cooperation Agreement between Kuwait and the United States, and therefore is a decision to be made by the Minister of Defense. MOI is only involved in implementing GOK policies, not determining them, he said. This is a political decision between the GOK political leadership and the coalition forces, and outside of MOI

purview, he said. Al-Othman continued, however, that there is no need for a third crossing as Abdally crossing is undergoing expansion. The GOK is spending 17 million KD (61 million USD) for this expansion, which is expected to be complete in two years. This expansion plan is awaiting Cabinet Council approval in two weeks, and will not need follow-up National Assembly approval to be implemented. This project envisions a large-scale overhaul of the crossing with a full-service free trade zone.

18. (C) CDA and LTG Rollo emphasized that the request is for a temporary opening of the UN gate for military purposes only. This would serve as a solution for the interim while Abdally is being expanded. Al-Othman predicted that the GOK would not agree to re-opening the UN gate in Umm Qasr because of security and political problems with Iraq. Due to the UN gate's proximity to the city of Umm Qasr, and to civilians in the area, the GOI will not be able to control it, he contended, referring to numerous problems in the past. He said that until it was closed in 2005, clashes between Umm Qasr civilians and Kuwaiti border guards were a frequent problem for the GOK. When British troops controlled the crossing there were no problems, he said. But when Iraqi forces took over, violent clashes became frequent.

19. (C) Al-Othman continued that the problem is compounded by unresolved border demarcation issues between the two countries in the vicinity of Umm Qasr. There are Iraqi farms in the area that cross into Kuwaiti territory, he argued, and the GOI does not officially recognize the border demarcation in the area. (Comment: MFA U/S Jarallah has told CDA separately that Iraqi President Talabani, during his recent visit to Kuwait, brought constructive proposals for resolving this issue by swapping parcels of land.) Opening this gate could lead to attacks on Kuwaiti border forces by gangs or violent groups. Subsequent retaliation from border guards would lead to a public debacle in Kuwait, he said. GOK's position is to keep military crossing gates away from civilian populations. He reiterated that Abdally would be the best solution even for the interim period. Al-Othman suggested temporarily creating new lanes at Abdally exclusively for the military to facilitate transport of convoys across the border.

Comment

110. (C) We will take up the issue of a new border crossing with the MOD, but after non-movement from the MFA and strong opposition from the MOI, we see little likelihood of a

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positive MOD response in the near term. Abdally is not an adequate solution. Kuwait's only commercial crossing into Iraq, Abdally may be considerably closer to Camp Bucca than K-Crossing, but it is not equipped to handle even intermittent military convoys; security has been a problem in the vicinity of Safwan on the Iraq side; and it brings our military movements squarely into the public eye for both Iraqis and Kuwaitis.

111. (C) Persuading the GOK to open another crossing is likely to require a sustained USG push at a high level. Post will make recommendations in this regard following our discussion with the Defense Minister.

112. (SBU) As for the joint MNF-I/Embassy Baghdad visit, we found this a useful mechanism to highlight for the Kuwaitis the important relationship between security improvements and economic progress in Iraq, and to underscore the central role that Kuwait plays on both fronts. It was clear in a morning briefing with the delegation hosted by British Ambassador Stuart Laing that we and the UK are on the same page as these issues go. and thus there was merit in presenting our concerns to the Kuwaitis jointly. We welcome similar opportunities to collaborate in the future.

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MISENHEIMER